PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

12-0626R

RESOLUTION AUTHORIZING A REQUEST FOR HUD FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR THE 2013 PROGRAM YEAR AS WELL AS APPROVING THE REALLOCATION OF CERTAIN PRIOR CDBG FUNDS AND AUTHORIZING AGREEMENTS WITH APPROPRIATE AGENCIES

CITY PROPOSAL:

<u>SUB</u>

WHEREAS, City Council Resolution No. 12-0623R, adopted December 17, 2012, approved FY 2013 annual Action Plan portion of the 2010-2014 Consolidated Plan; and

WHEREAS, the secretary of HUD is authorized to make grants to cities and/or counties to finance local community development programs, approved in accordance with the provisions of Title I of said Act, as well as grants under the Cranston-Gonzales National Affordable Housing Act of 1990, as amended, (the HOME program) and the Stewart B. McKinney Homeless Assistance Act of 1987, as amended (the Emergency Solutions Grant - ESG - program);

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials are hereby authorized to make and submit appropriate documentation to HUD for those projects and corresponding funding levels as set forth below:

2013 CITY OF DULUTH COMMUNITY DEVELOPMENT BLOCK
GRANT (CDBG) PROGRAM-FUND 262, AGENCY 020, OBJECT 5434 PROJECT CD13CD

PROJECT	ACTIVITY	AMOUNT	PROJECTS		
		HOUSING PRO	DJECTS		
HOUS	1734	\$ 514,400	Housing Resource Connection - One Roof/HRA		
HOUS	1091	\$ 180,407	Weatherization Program - AEOA/Ecolibrium3		
ECONOMIC DEVELOPMENT PROJECTS					
ECDV	2412	\$ 120,000	SOAR Duluth At Work - SOAR Career Solutions		
ECDV	1244	\$ 72,000	CHUM Support Services for Employment -		
			Churches United in Ministry		
ECDV	2264	\$ 64,000	Growing Neighborhood Businesses - Northeast		
			Entrepreneur Fund, Inc.		

	ECDV	1974	\$	24,000	Futures Program - Life House		
	ECDV	1291	\$	48,000	Circles of Support -Community Action Duluth		
	PUBLIC FACILITY IMPROVEMENT PROJECTS						
	PFAC	PF01	\$	225,000	Hillside Apts. Facility - One Roof Housing		
	PFAC	PF03	\$	142,000	Lifeline Building renovation -Life House		
PUBLIC SERVICE PROJECTS							
	PSVC	1244	\$	65 , 550	Duluth Hunger Project - CHUM		
	PSVC	1929	\$	62,890	Primary Health Care Services - Lake		
					Superior Community Health Center		
	PSVC	1348	\$	16,500	Clothes That Work and Social Services -		
					Damiano Center		
	PSVC	124A	\$	27 , 950	Homeless Stabilization Services - CHUM		
	PSVC	1974	\$	28,870	LIFELINE Expressway of Youth Services -		
					Life House		
	PSVC	1226	\$	15,280	Permanent Supportive Housing - Center City		
	PSVC	2509	\$	17,100	Battered Women's Shelter Program - Safe		
					Haven Shelter		
	PSVC	2511	\$	16,730	Transitional Housing Program - Salvation		
					Army		
	PSVC	1168	\$	20,810	Feeding Kids Through Youth Programs - YMCA		
	PSVC	2109	\$	15,000	Services for Homeless Veterans - MACV		
	PSVC	122A	\$	18,810	Transitional Housing Program - Center City		
	PSVC	1050	\$	3,150	Oshki Transitional Housing - AICHO		
	PSVC		\$	12,085	Coordinated Homeless In-take process		
			PI	ANNING/PRO	OGRAM ADMINISTRATION		
	ADMC	AD01	\$	407,633	CDBG Program Administration		
	ADMC	AD02	\$	20,000	Neighborhood Revitalization Planning		

BE IT FURTHER RESOLVED, that the following are hereby designated as the financial resources for the above program:

SOURCE OF FUNDING

Total

\$2,138,165

BE IT FURTHER RESOLVED, that the city of Duluth and its officials are authorized and directed to assume full responsibility for assuring that its community development program is carried out in full compliance with the provisions of the acts implementing the programs and all regulations of HUD issued pursuant thereto. This authorization shall also apply to existing programs with the city and HUD under the HUD CDBG, HOME and ESG programs.

BE IT FURTHER RESOLVED, that the appropriate city officials are authorized to execute the appropriate agreements with these agencies upon receipt of HUD funds.

Approved:

Department Director

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Approved for presentation to council:

Office

Approved:

Chief Administrative

Approved as to form:

Munn

orney

CD KH:

12/07/2012

____/ Auditor

STATEMENT OF PURPOSE: This resolution reflects comments from organizations and citizens as related to the fund for the Community Development Block Grant (CDBG).

In addition to citizens, the Community Forums and the Community Development Committee (CD Committee) each played a role in the recommendations contained

in this resolution. There was a 30-day public comment period from November 1-December 3, 2012, on the draft FY 2013 Annual Action Plan portion of the 2010-2014 Consolidated Plan, which includes recommended funding for the 2013 CDBG, HOME and ESG programs. The CD Committee held a public hearing on December $4^{\rm th}$ to hear comments on the funding recommendations and then modified the initial recommendations to reflect the comments and the final grant amounts. These recommendations were approved on December 4, 2012, with the concurrence of the Community Development Manager.

Source of Funds: \$2,138,165 in new 2013 HUD CDBG Funds

The resolution, in addition to authorizing application for grant funds and administration of same when received, also takes the following actions: 1Allocates funds by project for 2013 CDBG Program. 2Authorizes contracts for the activities upon receipt of the funding contract and completion of the environmental review process. Housing contracts will include addendums that require affordability restrictions in accordance with HUD regulations.

HOUSING

13-HS-01

Project Name: Housing Resource Connection - Duluth Housing & Redevelopment Authority (HRA)/One Roof Community Housing

Project Summary: The Housing Resource Connection will provide low interest and deferred loans for rehabilitation assistance to eligible homeowners and rental property owners within the city of Duluth. Homeowners can apply for up to \$20,000 in loans to address code deficiencies and lead paint hazards. Also, the Center will complete up to 11 acquisition-rehabs for homeownership. Rental owners can apply for a 2% interest loan to renovate their properties, which then must serve low to moderate income tenants.

Goal: 105 units (75 Single-family and 30 Rental Rehab)

Amount Recommended: \$514,400

13-HS-03

Project Name: Duluth Weatherization Program - AEOA/Ecolibruim3 Project Summary: These agencies will provide energy conservation measures in homes of income eligible energy assistance clients within the city of Duluth. Energy Conservation is achieved through mechanical repairs/replacements, air sealing and insulation. The program will provide a grant up to \$5,5000 per eligible household; income eligiblity is set at incomes at or below 80% of the area median income.

Goal: 72 Housing Units

Amount Recommended: \$180,407

ECONOMIC DEVELOPMENT

13-ED-01

Project Name: SOAR Career Solutions Duluth At Work (SOAR DAW) - SOAR Career Solutions

Project Summary: SOAR Career Solutions will provide job skills training, case management, job placement and job retention support to assist 14 Duluth residents at or below 50% of Area Median Income to obtain employment and maintain their jobs to increase their income by 25% over three years.

Goal: 15 Jobs

Amount Recommended: \$120,000

13-ED-02

Project Name: CHUM Support Services for Employment - CHUM Project Summary: 9 LMI Individuals with limited or poor work histories will be assisted in finding entry level positions and provided supportive services, including case management, to successfully maintain their jobs while building a foundation for advancement and self-sufficiency. Participants will realize a 25% increase in income within 3 years.

Goal: 9 Jobs

Amount Recommended: \$72,000

13-ED-03

Project Name: Growing Neighborhood Businesses - Entrepreneur Fund

Project Summary: The Northeast Entrepreneur Fund's Growing Neighborhood Businesses program will provide technical assistance and peer support for 8 existing small business owners in Duluth Target Neighborhoods to help them grow their business revenue by at least 25% within 2 years.

Goal: 8 LMI neighborhood small business owners grow their business revenue by

25% within 3 years.

Amount Recommended: \$64,000

13-ED-04

Project Name: Futures Program - Life House

Project Summary: The Futures Program will assist three at-risk and/or homeless youth ages 16-20, from CDBG targeted neighborhoods, in becoming selfsufficient through employment training, job placement, education, and other services which will lead to a 25% income increase over a three-year period.

Goal: 3 Jobs

Amount Recommended: \$24,000

13-ED-05

Project Name: Circles of Support - Community Action Duluth Project Summary: The Circles of Support Program will assist seven single female head of households, from CDBG targeted neighborhoods, in becoming selfsufficient through employment training, job placement, education, and other services which will lead to a 25% income increase over a three-year period. Goal: 6 Jobs

Amount Recommended: \$48,000

PUBLIC FACILITY IMPROVEMENTS

13-PF-01

Project Name: Hillside Apts Facility - One Roof Community Housing Project Summary: This project will create 6 family shelter units in the 44 unit multi-family development that One Roof Community Housing and Center City Housing are developing. The units will be shelter units for homeless families.

Goal: 6 Shelter Units

Amount Recommended: \$225,000

Project Name: Lifeline Building Renovation - Lifehouse Project Summary: This project will make improvements to the Lifeline building located on First Street and First Avenue West. The improvements to the building will increase the accessibility and delivery of vital services for

homeless youth ages 14-20.

Goal: 1 Facility

Amount Recommended: \$250,000

PUBLIC SERVICES

13-PS-01

Project Name: Duluth Hunger Project - Churches United in Ministry (CHUM) Project Summary: The Duluth Hunger Project is a coalition of four agencies working together to prevent and alleviate chronic hunger and malnutrition among the lowest income of Duluth's residents, through congregate meal sites and emergency food shelf programs.

Goal: 12,000 people

Amount Recommended: \$65,550

13-PS-02

Project Name: Primary Health Care Services - Lake Superior Community Health

Center

Project Summary: Support the provision of affordable, primary health care, including dental care, for uninsured and underinsured low and moderate income individuals and families in accessible locations within the City.

Goal: 6,300

Amount Recommended: \$62,890

13-PS-03

Project Name: Clothes that Work & Social Services - Damiano Center Project Summary: The Damiano Center provides low to moderate income people with access to free professional attire and transportation services to help them get to or find work. Clothing is through our Clothes That Work program, transportation services through Damiano Social Services.

Goal: 1,200 persons

Amount Recommended: \$16,650

13-PS-04

Project Name: Feeding Kids through Youth Programs - YMCA

Project Summary: This Collaborative of four agencies will provide nutritional meals during the time youth are participating in the youth development This funding will provide the foods and services for the meal programs.

service. Goal: 2120

Amount Recommended: \$20,810

13-PS-05

Project Name: LIFELINE Expressway of Youth Services - Life House Project Summary: Life House "LIFELINE Expressway" will assist 600 at-risk and/or homeless youth annually, ages 14-20, in Duluth, to address basic needs (food, clothing, shelter) and connect with on-site support services that help with stabilization.

Goal: 600 People

Amount Recommended: \$28,870

13-PS-06

Project Name: Homeless Stabilization Services for shelter - CHUM Project Summary: Operating funds are requested for Duluth's primary facility for serving the general homeless population. The CHUM Center and emergency shelters, the program's main components, provide shelter and services 24 hrs/day, 365 days/year. The CHUM Center is the primary outreach site for agencies providing services to people who are homeless.

Goal: 900 persons

Amount Recommended: \$27,950

13-PS-07

Project Name: Battered Women's Shelter Programs - Safe Haven Shelter for Battered Women

Project Summary: Safe Haven Shelter for Battered Women (SHS) and the American Indian Community Housing Organization (AICHO) are applying for funding to provide safe, temporary shelter, necessities, advocacy and support for 500 homeless women and children who are victims of domestic violence.

Goal: 500

Amount Recommended: \$17,710

13-PS-08

Project Name: Oshki Transitional Housing Program - AICHO (American Indian Community Housing Organization)

Project Summary: AICHO will provide transitional housing and support services to assist homeless families and single women (30 persons) move toward greater housing stability.

Goal: 40

Amount Recommended: \$3,150

12-PS-09

Project Name: Transitional Housing Program - Center City Housing Corp.

Project Summary: Center City Housing will provide transitional housing and support services to assist homeless families and single women (120 persons) move toward greater housing stability.

Goal: 120

Amount Recommended: \$18,810

13-PS-10

Project Name: Services for Homeless Veterans - MACV-Duluth
Project Summary: Minnesota Assistance Council for Veteran's (MACV) regional
program, MACV-Duluth, is the only veteran specific program that addresses the
needs of those that are currently experiencing homelessness or at-risk of
becoming homeless in this community. MACV-Duluth will provide transitional
housing and support services to help 60 homeless/at-risk veterans access
housing and improve housing stability.

Goal: 80 Veterans

Amount Recommended: \$15,000

13-PS-11

Project Name: Family Transitional Housing Program - Salvation Army
Project Summary: Salvation Army will provide transitional housing and support
services to assist homeless families (100 persons) move toward greater housing
stability.

Goal: 100

Amount Recommended: \$16,730

13-PS-12

Project Name: Permanent Supportive Housing - Center City Housing Corp.

Project Summary: Center City Housing will provide 14 units of permanent supportive housing for homeless/long-term homeless individuals and families with children. Programming will include housing, supportive services, advocacy and referral to help residents maintain housing stability.

Goal: 72 People

Amount Recommended: \$15,280

13-PS-13

Project Name: Coordinated Homeless In-take Process

Project Summary: The coordinated intake and assessment center for the St. Louis County Continuum of Care will provide prevention and rapid rehousing assistance.

Goal: 120 People

Amount Recommended: \$12,085